S. Atlantic Street



Handout @ 10/19/12 TrEE Mg.



Moving the Goods that People Need

How cargo moves from port terminals to markets everywhere

In 2011, over 1.2 million import and export containers¹ moved through Seattle's harbor, carrying Washington products to global markets and bringing overseas goods to destinations around the U.S. Those containers mean jobs – 33,000 jobs in King County directly depend on the seaport – and they mean revenue to the region. Each year, the seaport generates over \$450 million in tax revenues for our community.

Moving those containers generated about 2.5 million truck trips during the year. About half of the cargo handled in our harbor is moved by truck between port terminals around Elliott Bay and rail yards in SODO and Georgetown for the trip to or from the U.S. Midwest. Primary freight intermodal connector routes are Atlantic Street, East Marginal Way, Spokane Street, and Hanford Street as well as other arterials in the SODO area. About 20% of cargo is transferred on a container terminal directly between ship and train. But the rest of the cargo, about 30%, moves by truck between Port terminals and local destinations like cargo facilities in the Duwamish Manufacturing Center, distribution centers in the Kent valley, and Eastern Washington agricultural centers. This local business would not be here if not for the back-haul opportunities provided by cargo moving through Seattle to other parts of the US. Add the destinations of container maintenance and repair facilities throughout the Duwamish, and truck traffic is apparent throughout SODO, as well as on I-5 and I-90.

Port Growth

The <u>Century Agenda</u>, the port's 25-year strategic plan, calls for the agency to generate 100,000 new jobs by 2037. A crucial component of achieving that long-term goal is increasing cargo volumes to 3.5 million TEUs per year. That number reflects reasonable, achievable growth that can be accommodated within the port's existing container terminals, provided those facilities can be used nights and weekends when necessary.

Due to physical limitations at the container terminals, there are practical limits on the ability of each terminal to process, load and unload containers. Container terminals operate night and weekend gates when volume demands it; T-46 operated night gates in recent years during surges of cargo volume. Earlier studies by the port have concluded that night-gate operations will be required as cargo volumes increase. A 2006 study commissioned by the port estimated that volumes near 3.5 million TEUs would result in 11,400 one-way truck trips each day, compared to 7,000 truck trips today, and the necessary night gate operations would result in 20% of daily truck trips occurring between the hours of 5 p.m.-11 p.m.

¹ That translates to just over 2 million twenty-foot equivalent units (TEUs)— the measuring stick used by the industry.

Truck Trips



The image to the left² shows how and where trucks travel when they are serving our harbor:

Each green dot represents a truck making its way from destination to destination. Truck traffic isn't limited to west of 1st Avenue, or to major freeways. Trucks travel on routes that encompass all of SODO and the Duwamish Manufacturing Center.

In addition to the Port's container terminals and major connector routes, the image shows the BNSF Seattle International Gateway at Hanford Street (labeled RR, just east of T-25), the region's major rail hub. The facility runs 24 hours a day, every day handling both export and import cargo for shipment to and from the Midwest and East Coast. The BNSF yard processes 1,200 truckloads per day shift (7

a.m.-5 p.m.) each workday with another 500 trucks on an average of two Saturdays per month. These trucks utilize 1st Ave south due to construction on Spokane Street and Alaskan Way Viaduct, East Marginal Way, and other local freight routes, clearly pointing to the need to maintain resiliency in the transportation system. The Union Pacific's Argo Yard is also visible in the image; it's located south of Spokane St.

In 2011, imports and exports at T-46, the terminal closest to the proposed stadium, generated approximately 381,000 total truck trips. That amounts to 1,500 to 3,000 truck trips per workday depending on ship schedules and market demand. Export cargo and returning containers arrive by a variety of routes: I-90, Alaskan Way, East Marginal Way. Truck drivers pick the best route based on roadway geometry and grades, current information about congestion and construction-related lane or roadway closures—just like most commuters review the traffic report before heading out.

Typically, the terminal accepts inbound trucks from 7:00 am to 4:30 pm on weekdays. Trucks exit terminals after 4:30; turnaround time depends on volumes and cargo type. The terminal accepts export or empty containers until the end of the day prior to their vessel arrival. After the vessel has berthed, export containers start moving off the terminal. T-46 does not have the capacity for on-dock rail so every container moving across the terminal arrives or departs by truck.

² 2011 Port of Seattle Truck Traffic Study, University of Washington Program on the Environment, March 2011. The figure shows the morning routes of a small sample of 13 trucks fitted with portable GPS units. All trips occurred between December 17, 2010 and February 17, 2011. A broader GPS-based study of all commercial traffic is necessary to provide insight into the full impacts a new use would have on traffic flows.

Nandaut @ 6/19/12 TrEE Mg.



June 19, 2012

Executive Committee Hon. Larry Phillips, Chair Transportation, Economy and Environment Committee King County Council

John Odland MacMillan-Piper Chair

Seattle, WA.

Warren Aakervik Ballard Oil Treasurer

Hon. Pete von Reichbauer, Vice-Chair Transportation, Economy and Environment Committee

Johnny Bianchi B&G Machine King County Council

Marc Doan GM Nameplate Seattle, WA.

Kathleen Goodman AMEC Geomatrix Dear Councilmembers Phillips and von Reichbauer

David Huchthausen Somerset Properties

Somerset Properties

Mike Kelly ASKO Processing

> Matt Lyons NUCOR Steel

Pat McGarry Manson Construction

Terry Seaman Seidelhuber Ironworks

> Linda Styrk Port of Seattle

Kim Suelzle Citylce Cold Storage

> Bob Viggers Charlie's Produce

Larry Ward Pacific Fishermen Shipyard

Elizabeth Warman The Boeing Company Transportation issues are key to determining how or if a third SODO sports arena can be integrated into the community without constraining the existing operations or growth potential of Seattle's marine cargo sector. While some arena proponents acknowledge that existing traffic conditions in SODO are already constrained, no one has set forth a plan or

cost estimate for how these conditions will be addressed or who will pay for them.

These are among our transportation concerns regarding the SODO arena proposal.

1. Incomplete road network

The mitigation plan for SODO's stadium overlay area was predicated on easing the impacts of two stadiums. Today, the road plan for two stadiums remains unfulfilled, limiting the capacity of key SODO roadways to absorb existing or future traffic volumes. A third sports facility was not accounted for in these plans.

2. Congestion Impacts

Some arena proponents dismiss SODO congestion as an urban "fact of life." But in a community like SODO, congestion limits the effectiveness of bus and commercial truck operations that serve fixed locations.

Bus service was cancelled on 1st Avenue South in the stadium area one year ago by Metro because it is not possible to maintain reliable passenger schedules amid the existing congestion. Similar congestion levels will continue following completion of the deep bore tunnel to replace the Alaskan Way Viaduct as more motorists use 1st and 4th Avenues to reach or leave downtown Seattle.

Metro can choose to suspend bus service. Truck drivers serving fixed locations have fewer options and the shipping companies that deploy the trucks can opt to move to ports where traffic is not such a consistent barrier.

Hon. Larry Phillips & Hon. Pete von Reichbauer June 19, 2012 Page 2

3. Increasing SODO Entertainment Events

According to the Seattle Arena Multimodal Transportation Access and Parking Study, the new arena will nearly double the number of weekday events in SODO from 72 to 133. An increase in event frequency will decrease the number of workdays and hours within workdays that are free from event-related traffic congestion. Each decrease undermines the practical value of publicly owned port facilities, just as lost hours or days would undermine the value of many businesses.

4. Daytime impacts of evening events

Commercial travelers adjust schedules to avoid event congestion in SODO, increasing SODO daytime traffic congestion during days that conclude with evening events.

We believe this trend is reflected in the *Arena Multimodal Study* which states on page 10 that Interstate 5, Interstate 90 and State Route 99 "are heavily used by people driving to the stadium and become congested during larger events. These routes access the parking facilities that most directly serve CenturyLink, Safeco Field and the proposed arena parking. These routes experience higher than normal traffic congestion during weekday evening commute times between 3 p.m. and 7 p.m."

In our opinion, the same trend was documented by the *City of Seattle South Holgate Street Railroad Crossing Study* published in 2010. Contrasting traffic counts on a day with no stadium event with three days that concluded with night games drawing about 25,000 fans each, the Holgate study found that on event days Holgate traffic started to grow about noon with continued increases between 2-4 p.m. We believe similar trends are replicated on streets throughout SODO that serve the stadiums.

5. SODO Transit Services

Arena proponents say SODO was chosen for the proposed arena in part because of transit service availability. However, transit service and related pedestrian amenities are actually quite poor. This fact is known to many people who try to ride a bus to SODO or walk through the area. These conditions are also documented in a study published in January 2012 prior to the announcement of the new arena proposal. The study is available online at www.duwamishtma.org, under "Street Smart: Alternatives to Drive-Alone Commuting in the Duwamish."

The Arena Multimodal Study claims on page 12 that" After 10 p.m. there are 48 buses passing through the stadium district for (arena) patrons to use, including buses on the Alaskan Way Viaduct. This provides capacity for approximately 3,800 people."

In fact, according to Metro and Sound Transit, only 34 buses go through SODO during that time frame and most would have no value to arena patrons. Seven of the 34 roll through SODO but make no stops. Eight more don't stop within a mile of the arena. Fifteen stop between a half-mile and one mile.

Only 12 buses stop within a half mile of the proposed arena.

Hon. Larry Phillips & Hon. Pete von Reichbauer June 19, 2012 Page 3

Distance from the arena will also limit the value of light rail to arena patrons and the desirability of all transit modes will be limited by the poor conditions that confront pedestrians in SODO, especially during NBA and NHL schedules with games that start after dark in the dead of winter. Holgate Street, which would be a main pedestrian route to the arena, is crossed about a dozen active and inactive railroad tracks just between Occidental and 3rd Avenue South.

By contrast, transit options and pedestrian conditions are far superior at Seattle Center, which served as a highly successful site for winter sporting events for decades.

For instance, 40 buses stop within one half mile of Key Arena between 10 p.m. and 11 p.m., and many of them stop within two blocks of the arena. The Monorail also provides a direct link to all the transit services available at Westlake Center.

Conclusion

The SODO arena proposal may offer advantages over other arena financing deals that have been made available to other local and regional governments seeking new NBA or NHL franchises. However, the proposal presently fails to account for the direct public costs that will be incurred to fix SODO transportation defects, or the indirect costs that will be incurred by undermining the major job and economic benefits generated by the marine cargo and railroad distribution center in the northwest corner of SODO.

The public investment might be better served at another location. The King County Council and Seattle City Council should assess the public cost-benefits of alternative locations before they make a commitment that binds the public to support a SODO-only strategy to pursue new NBA and/or NHL franchises. Multiple sites were considered before the locations were picked for the existing SODO stadiums. A similar process should be pursued in assessing the present proposal.

Please call if we can answer any questions, 206-762-2470.

Sincerely,

Dave Gering, Executive Director

Manufacturing Industrial Council of Seattle

May 31st, 2012

Seattle City Council PO Box 34025 Seattle, WA 98124-4025

Martin Luther King County Council 516 3rd Ave, Room 1200 Seattle WA 98104

Dear Honorable Council Members,

As the respective Councils begin the process of reviewing the proposals relating to a third sports and entertainment arena in Seattle's industrial SoDo area, we would like to go on record with our concerns. The ILWU local 19 represents 3000 people who work in the Port of Seattle, and because of our work within the container operations of the port, we have a unique understanding of the challenges facing our jobs in particular, and our place within the shipping industry in general. We understand the economic vitality of trade in our region, in our state, and on a national basis, as it relates to operations in Seattle. Anything that impacts these operations obviously impacts our jobs, but also the jobs of people up and down the supply chain, from apple growers in Eastern Washington to manufacturing at Boeing.

We wish to reiterate our position; The Puget Sound region would benefit from having an NBA and NHL franchise return. We are not opposed to an arena itself; we are opposed to any new arena SoDo. We do not believe that this location for a sports and entertainment facility is "risk free" and "cost free" to stakeholders in the maritime and industrial community, as well as the taxpayers of Seattle and King County.

1. Port Freight Mobility: Seattle and King County are trade dependent economies.

A major component of Seattle as a trade-based economy is global freight. Our over-the-road freight corridors in the SoDo area of Seattle are already exceeding capacity. This means that existing and additional traffic of any kind from arena events unpredictably disrupts the movement of marine cargo to and from the rail lines and the interstate system, as well as regional warehouses; 70% of inbound freight is discretionary, meaning that it can be rerouted through other ports: Prince Rupert and Vancouver (Canada), Tacoma, Oakland, LA/Long Beach, and in 2014, through the Panama Canal.

As freight corridors in SoDo become more congested and unreliable as a result of traffic and construction around retail/commercial development on these freight corridors, terminal operators will evaluate at the end of their leases the viability of moving freight through that location. If another port can provide easier access to regional or national infrastructure and destinations for freight movement, then relocation becomes an option for them. The lease at Terminal 46 expires in 2014. The mere perception by a terminal operator of the risk of continued disruption of freight movement is enough for reconsideration of their operations for that location.

Losing these operations at Terminal 46 or Terminal 30, a portion of them, or reduced trade through them means loss of jobs, loss of revenue for the Port, a loss of local and state tax revenue, a loss of competitiveness for Washington State exports, and ultimately losing our identity as a leading city in trade and trade competitiveness.

2. Loss of Jobs in the maritime and industrial sector

We can build an arena anywhere, but we can't rebuild a world class deep water port terminal anywhere.

Maritime operations at the container terminals account for a total of about 12,400 direct jobs, according to the most recent Martin Report, an independent and extensive study of economic activity around the port. (The larger figure that the Port of Seattle references in their statements to the media is based on economic multipliers.) Estimates from the Port indicate that Terminal 30 and Terminal 46 represent 25% to 33% of these, 3,000 to 4,000 direct jobs. In addition, the total number of industrial jobs in the Duwamish area, which includes SoDo and the Georgetown neighborhood, are in the 10s of thousands according to the Manufacturers Industry Council (MIC). Think Boeing. Many of these industrial jobs rely on the crucial connections that a maritime port provides.

In 2007, the City of Seattle felt it was important to retain these jobs and the land that makes them possible, and Seattle City Council instituted an ordinance to preserve this land in use by industry and maritime (Industrial Lands Ordinance, 2007). This was in response to the real estate and credit boom that was driving property values to high levels. The drive to convert industrial land to commercial, retail and other uses came to a halt, but again is under pressure, as a result of the push for a sports and entertainment arena in industrial SoDo. In addition, the City Council recently approved unanimously a Port Container Element of the Comprehensive Plan, recognizing the crucial necessity of freight corridors in city planning.

The proposed site of the stadium would be built on this industrial land, zoned as Industrial Commercial; this is not a "stadium district" but is an overlay district, which was created to mitigate the link between public transit traffic and the existing stadiums, while preserving use as a buffer. To build a stadium in this footprint would undermine this intention, and undermine the intent of the preservation of industrial lands. This

pressure on land values would create an disincentive for businesses engaged in freight handling and industry to continue operations, as a result of this pressure and the higher overhead in increased rents and property taxes, as well as congestion from more traffic. It would also create incentives for future retail/commercial and non-industrial developments in industrial zones, as the industrial designation is pushed southward through rezoning and more overlays. Building an arena on this site would preempt mitigation in this overlay district, and force more industrial land to be converted to an overlay, which could then be developed, and so on.

Business relocating means the jobs will also relocate. The declining of support services for freight places further pressure on terminal operators at the Port to also relocate, as freight corridors become congested due to the encroachment of development and traffic: East Marginal Way, 1st Ave S., 4th Ave S.; Lander, Horton, Spokane Streets; East Marginal, and others. Terminal 18, which also relies heavily on these freight corridors, handles up to 50% of the total marine freight in Seattle.

3. Permanent job creation from a sports and entertainment arena in SoDo will not make up for displaced marine and industrial jobs in the long term.

The loss and displacement of skilled, family wage jobs will undermine any benefits of permanent jobs created by a sports and entertainment arena in Sodo, and would mean a net loss of jobs overall in the long term. The City's finance department report to the Stadium Review Panel put the long term job creation at 300 and 800-1000 full time and part time jobs respectively. Construction jobs directly related to the stadium outside of these numbers would be temporary and go away in two years. If Terminal 30 and Terminal 46 left Seattle, this would mean the disappearance of at least 3-4000 permanent direct jobs, not to mention the associated job loss in other maritime activities and industrial sectors. An arena at another location would be the best of both worlds: job creation and preservation of existing maritime and industrial jobs.

4. Loss of business tax revenue for the state, city and county.

Discretionary and disposable income is a component of the economy that can only increase with job growth and rising wages. All of these things constant, there is a finite amount of entertainment money that is spent in the economy. Dollars spent on other competing sporting and entertainment events would be impacted with a third arena in SoDo: the The City's finance department report to the Stadium Review Panel put this substitution figure at a conservative 15%. This means that the taxes collected on these sales in other places will also decrease, which puts pressure on the services of Seattle and King County government, who are already struggling to close budget loopholes. This loss of revenue also would impact the state budget. The tax revenue generated in the new stadium will not be able to be used to shore up these shortfalls; they will have to be used to pay off 30 year General Obligation bonds to purchase the arena under a Tax Increment Financing mechanism, under the proposed Memorandum of Understanding.

In the current economic climate, we question the viability of reducing revenue to government services and projects. This decreased revenue will also impact the ability to mitigate the problems created by a sports and entertainment arena in industrial SoDo, as taxpayers have a mixed record in terms of approving tax increases via referendum for large scale traffic improvements.

5. The public costs associated with a sports and entertainment arena in SoDo may cost more then the arena itself

Whenever land is developed, government is obligated to provide the supporting infrastructure with public dollars. Electrical, sewage, traffic, safety, capacity, and other mitigation are part of the picture. There is a cost to all of this that is not considered in the proposal to build a sports and entertainment arena in SoDo. We don't know what that exact cost might be, until we have a better picture of the extent of the impacts. The Parametrix traffic study commissioned by Chris Hansen's group is inadequate for several reasons. The current projects cited in Hansen's traffic study do not consider that current construction and mitigation projects do not consider the additional pressure from a third arena. The study did not consider the impact of commuter traffic, the impact of 24 hour operations at the port, and contradicts conclusions produced by previous and recent comprehensive studies. While it may provide a cursory snapshot of the most optimistic scenario for arena proponents relating to game traffic only, a complete study of all impacts involving all stakeholders is the only way to fully understand the impacts and costs associated with an arena in industrial SoDo.

The reality is that traffic, freight, bicycle, and pedestrian mitigation projects planned for the current stadiums was never completed. The Royal Brougham ramp to I-90/I-5 that was part of the original SR 519 project was never completed and can never be completed due to the position of the SR 99 tunnel and the Silver Cloud Hotel. The Lander Street overpass money was diverted to the Mercer project and the SR 99 tolling is projected to add increased pressure on the streets in industrial SoDo.

6. Gentrification of industrial areas

A discussion about an arena in SoDo is more then just about the NBA. It is about the future of industrial SoDo itself. Entertainment districts are built around arenas, which include malls, restaurants, condos, and hotels. If this development of an arena is approved, more projects will come on line and city government will be pressured to rezone industrial SoDo for entertainment and retail development. This will mean the eventual eroding of our maritime and industrial economic base. We do not agree that this eroding of these industrial lands and the jobs associated with it are inevitable; whether or not this happens is a matter of choice by our city government and stakeholders in the area.

In close, we wish to reiterate that a sports and entertainment arena in industrial SoDo is not "risk free". It is also not a "zero cost" for taxpayers, and is a net loss of living wage jobs in Seattle. The risks and costs are: a net decrease in both the number and quality

of jobs in SoDo as well as our region and state; added taxpayer costs due to decreased revenue from other tax streams, and the costs of additional mitigation for traffic, freight mobility, and transit (especially buses). This arena is not a gift, but would entail significant sacrifice of essential elements of our maritime and industrial economic base. A third arena in SoDo may create a negative feedback loop in relation to job creation, tax revenue, and infrastructure congestion.

However, consideration of alternate locations would be a win-win for all involved. The NBA and the NHL, after all, are not going away. We can have a team and keep our city's standing as a leader in global trade and the resulting economic benefits.

We urge due diligence, and the consideration and inclusion of all the impacted stakeholders as the evaluation of the proposal moves forward.

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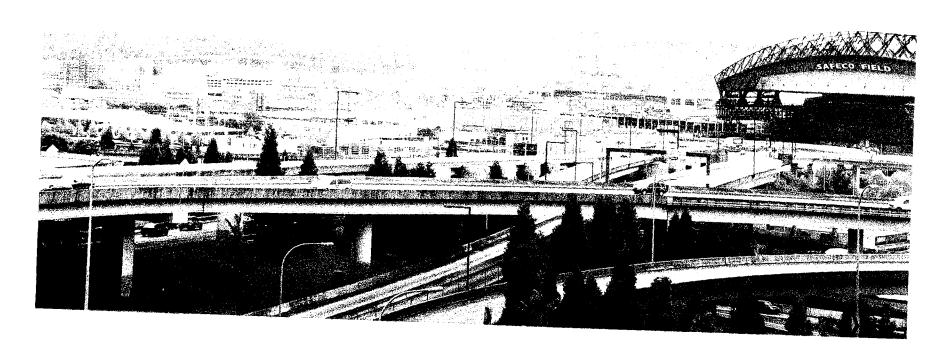
Sincerely,

Cameron Williams, President, International Longshore and Warehouse Union, local 19

STADIUM TRANSITION AREA OVERLAY DISTRICT

PRESENTATION TO KING COUNTY COUNCIL TRANSPORTATION COMMITTEE
COUNCILMEMBER LARRY PHILLIPS, CHAIR

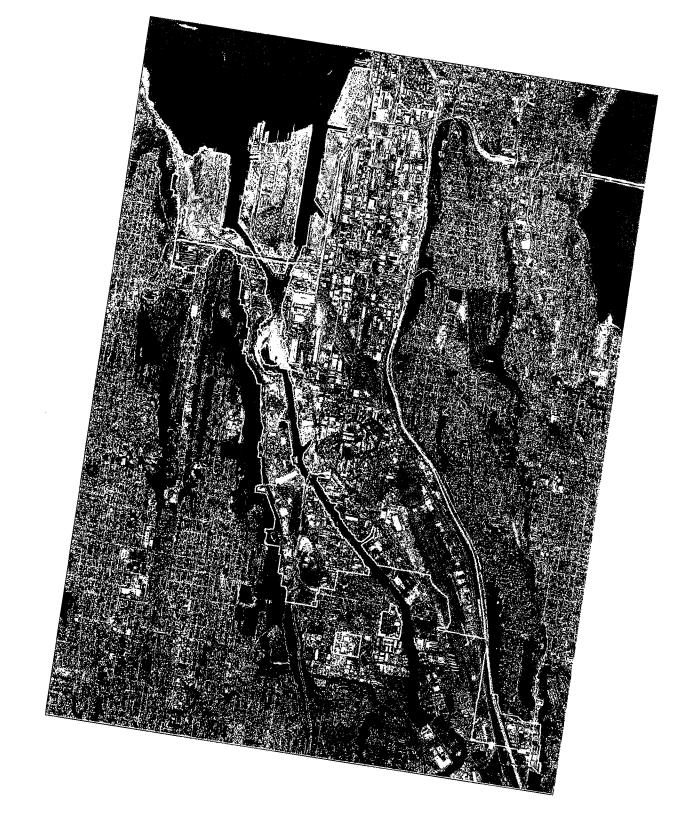
JUNE 19, 2012 PETERSTEINBRUECK, FAIA



Stadium Transition Area Overlay District: Issues, Background, Recommendations

Outline

- I. Planning Chronology: Manufacturing and Industrial Center
- II. <u>Planning Context</u>: GMA, PSRC Vision 2020, KC Regional Policies, Seattle Comprehensive Plan, MIC Neighborhood Plan, MIC Implementation Strategies
- III. <u>Underlying MIC Zoning & Stadium Transition Area District</u>: Legislative Intent and Purpose
- IV. <u>Issues and Findings</u>
- V. <u>Steinbrueck Recommendations</u>



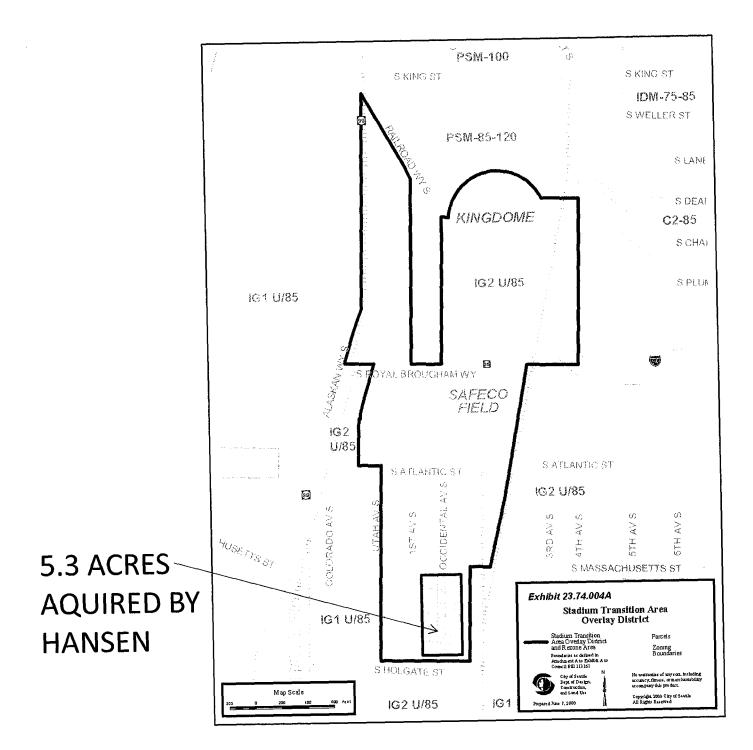
Greater Duwamish Manufacturing and Industrial Center

Comprising 4,138
acres of marine and
industrial lands,
representing 84
percent of the
Industrial lands
within city.

Greater Duwamish Manufacturing and Industrial Center

Chronology 1976 - 2012

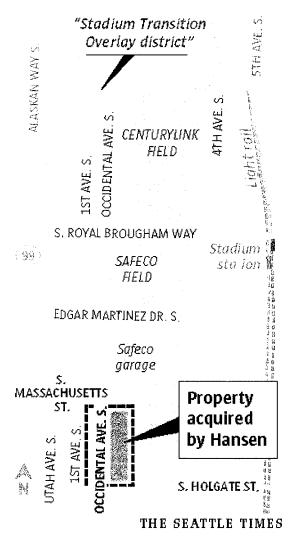
□1976 Kingdome Opens, serving as home of Seahawks, Mariners, and Sonics □1994 Greater Duwamish Manufacturing and Industrial Center (MIC) regional designation under Growth Management Act (GMA) □1996 Greater Duwamish Planning Committee (MIC) Neighborhood Planning Process begins □1999 Mariners Safeco Field Ball Park opens ☐March 26, 2000 Kingdome Imploded □June 12, 2000 City Council passes MIC Legislative package, including MIC Neighborhood Plan and Implementation and **Adoption Matrix; Seattle Comprehensive Plan Amendments:** Rezone of Stadium Area from IG2 U-85' to IC 65'/85'; and **Stadium Transition Area Overlay District (STAOD)** □2002 Quest Field (Century Link) opens ☐ February 2012 Hansen Proposes New NBA Stadium in MIC

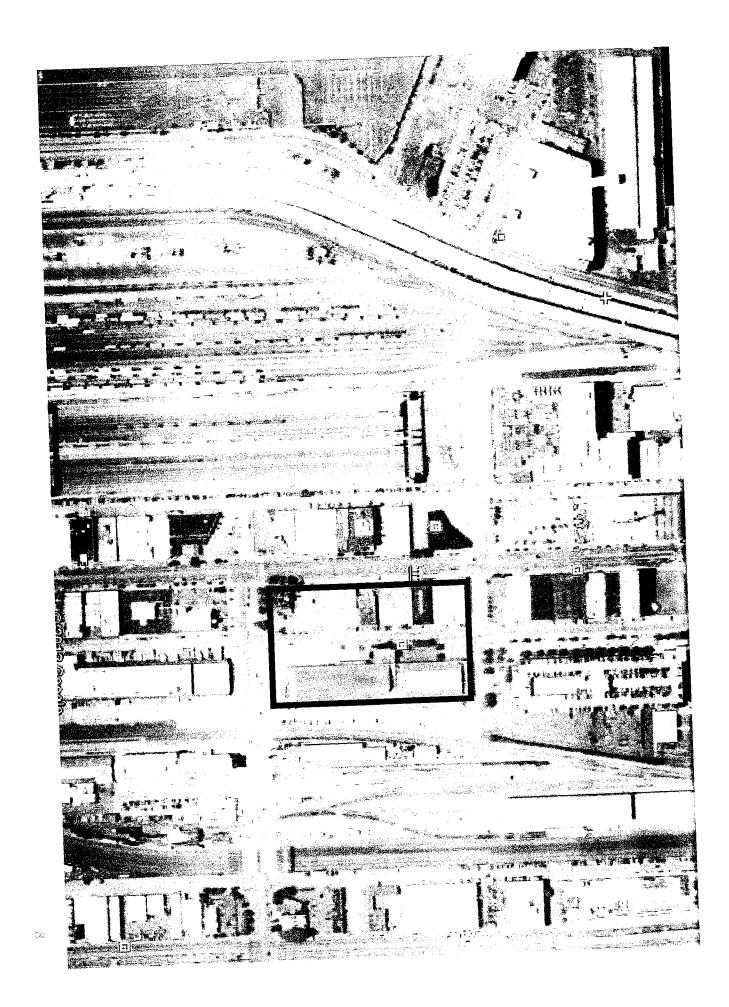


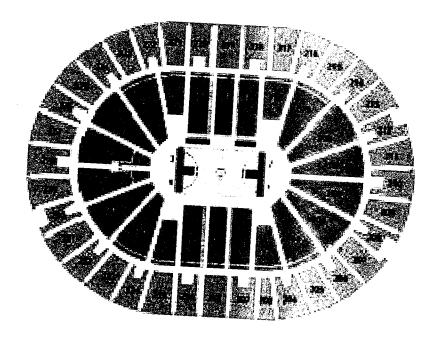


Possible arena site

Hedge-fund manager Christopher Hansen is seeking to build an arena south of Safeco Field garage.









Council Resolution 30018 (June 12, 2000) Adopting of Greater Duwamish Manufacturing/Industrial Center Plan along with six key strategies

Recognized:

Vision for North Duwamish Industrial area as a "vital economic and transportation crossroads of regional significance," consistent with Growth Management Act, Countywide Lanning Policies and Seattle Comprehensive Plan.

Intent:

- 1) "to maintain and enhance the viability regional industrial area and protect its vital employment base."
- 2) Restrict incompatible or competing land uses within the M&I Center;
- 3) Establish growth target of 10,860 ne family wage industrial jobs; improve access to and transportation within M&I Center

Council Ordinance 119973 Comprehensive Plan Amendments

L27 "Limit in industrial/manufacturing areas commercial or residential uses unrelated to industrial function that occur at intensities posing short and long term conflicts for industrial uses, or threaten to convert significant amounts of industrial land to non-industrial uses."

Stadium Transition Area Overlay District

Seattle Land Use Code is structured so that five groups of zones govern development: Single Family residential, Multifamily Residential, Commercial, Downtown, and Industrial.

The Code explicitly provides for Overlay districts to accomplish certain City policy objectives, such for major institutions (e.g. Hospitals and Educational) and for protecting and enhancing unique physical and other characteristics of an area, such as the MIC.

To create a separate land use "zone" for the Stadium Transition Area would deviate from the structure of the code, according to DPD Stafff.

The Stadium Transition Area Overlay District had twin objectives:

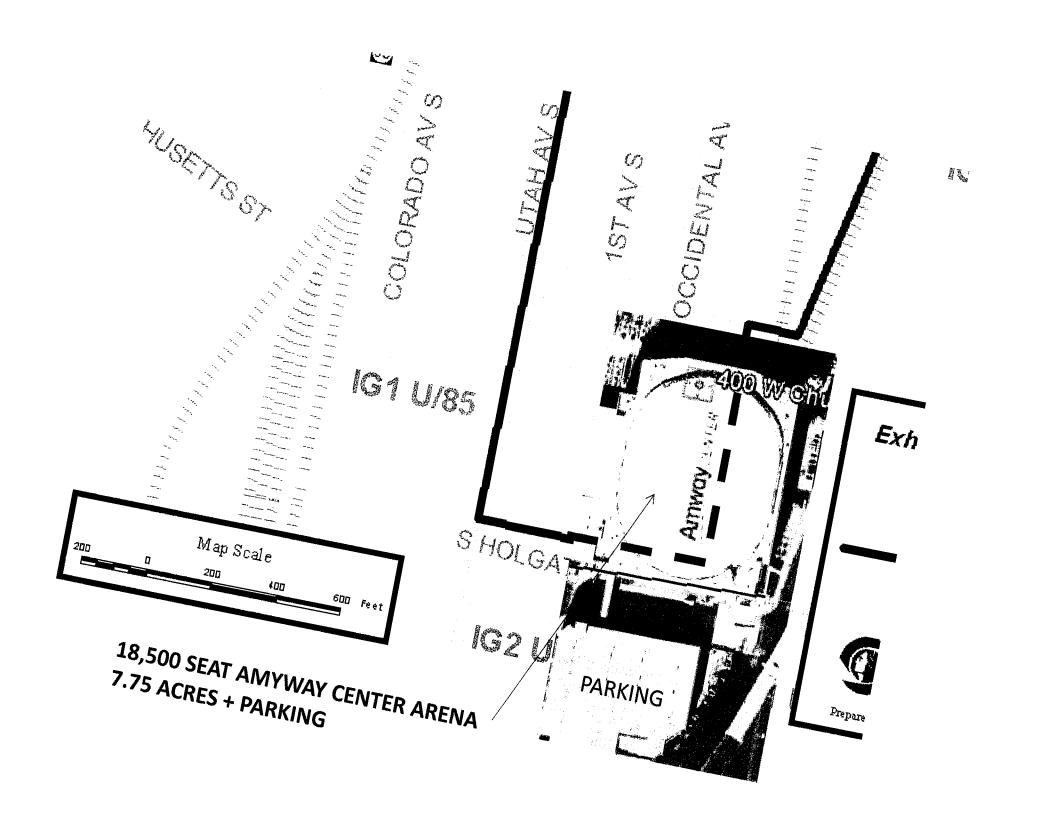
- 1. Create a strong pedestrian connection to north between Stadium Area and downtown;
- 2. Maintain a clear separation between commercial development occurring at the north end of the MIC, and industrial area to the south.

Stadium Transition Area

Purpose and Intent (MC 23.74.002):

- 1)To implement City's Comprehensive Plan, including the Neighborhood Plan of Greater Duwamish Manufacturing an Industrial Center, by establishing a Stadium Transition Area Overlay District
- 2) Allow mix of complementary stadium-related uses within Stadium Area;
- 3) Support safer, pedestrian-oriented environment in Stadium area and linkage north to Pioneer Square and downtown
- 4) Minimize conflicts with industrial uses, and discourage sports-related development from encroaching on nearby industrial uses to south.

"The desired relationship of the Stadium Transition Area is with Pioneer Square and First Avenue....There should be well defined edges between the pedestrian activity of Stadium Transition Area and industrial activity surrounding it."













Issues and findings:

- 1) A third sports facility was not contemplated when legislation was passed, nor is the Stadium Transition Area large enough to accommodate a third stadium.
- 2) Existing transportation and pedestrian infrastructure is inadequate.
- 3) There is no room to expand the Stadium Transition Area boundaries to south, east, or west, without absorbing more M&I land.
- 4) Proposed new NBA Arena, including and expanded sports recreation district "similar to LA Live, with restaurants, hotels, bars" near third stadium (as described by proponents), would put area development in non-compliance with countywide and City Planning Policies, GMA;
- 5) City has failed in its commitment to MIC Neighborhood Plan, by abandoning priority implementation strategies as part of the Stadium Area Overlay District approvals

Recommendations:

- Seek full planning analysis for compliance with City and Countywide planning policies related to Stadium expansion, protection of MIC;
- Determine capacity within existing boundaries for another stadium;
- 3) Address loss of transition area for stadium related uses
- 4) Determine adequacy of surrounding existing infrastructure (i.e. utilities, drainage, streets, pedestrian improvements, etc);
- Require programmatic MIC EIS prior to increase in recreational, commercial, non-industrial uses;
- 6) Review, update city's MIC Implementation Strategies Approval and Adoption Matrix
- 7) Study alternative sites for optimal location of new regional sports facility based on adequacy infrastructure

Hankout @ 6/19/12 TrEE my

Council Member Larry Phillips

June 14, 2012

JUN 15 2012

The Honorable Larry Phillips King County Councilmember King County Courthouse 516 Third Avenue, Suite 1200 Seattle, WA 98104 Received
District Four

Dear Councilmember Phillips:

I regret that I am unable to attend the SODO Arena hearing on June 19, 2012. The State Transportation Commission, which I chair, is holding its monthly meeting in East Wenatchee. The Commission meets four times a year in locations around the state. Meeting with the public across the state helps us better understand transportation issues for the state as a whole.

This letter outlines my personal opinion as a citizen of Seattle. I understand that you will be hearing from others; but I only speak for myself. I was born at Swedish 82 years ago and have lived in Seattle the last 44 years. It is also true that most of my adult business life has been involved with transportation and land use issues of the state and this region.

I want to start with a bottom line by asking that the City and County not fast track the decisions on this arena proposal. It is a project of major impact on the environment and the future of the region. It requires, as any similar project would, a full, independent and complete EIS which clearly identifies impacts on transportation, air quality, parking and the survival of major economic drivers in the region. It also requires a look at alternative arena locations. An arena might thrive in several locations, but water- dependent business must be based on the harbor. Assuming impacts are identified, there must be appropriate mitigation.

Since the proposed project is in the City of Seattle, the permitting authority is in the hands of the city. The Mayor, an outright advocate for the project in SODO, should recuse himself and ask for an alternative "responsible agency" to undertake the EIS and code interpretation.

A project of this scope and size deserves an impartial and first class EIS under the direction of an independent agency selected to supervise the preparation of the EIS and compliance. The "responsible agency" must be well equipped to hire independent highly qualified consultants to evaluate traffic, parking, air quality and other impacts.

Because the loss of public trust in public agencies is a huge issue, total independence is critical for the "responsible agency" and the consultants. With public officials as main cheerleaders for the arena in this location, the process lacks credibility.

The Honorable Larry Phillips June 14, 2012 Page 2

Today we have lots of questions and few answers. The "devil is in the details" and the details are slow to come. Public opinion surveys I've seen make it clear that the voters don't want the arena if it requires public cost. Reasonable folks can argue about "what costs" — but they need to know what they are. Already it has been reported that the arena will pay no property tax. Yes, when spread back across all citizens it isn't a lot of money for an average homeowner. But it is another loophole for a business.

At a minimum, this City and County should proceed with care and careful examination of what is actually agreed to. If you go forward you will be partners with the franchisee and the league. Memories appear very short – only four years ago a basketball franchise was sold and left town under the direction of Mr. Stern, president of the league. Are we being set up for the same a few years down the road?

I am not sure where the County and City Councils are in conversation with their advisors on the bonding anticipated to raise the public's \$200 million dollar share of the project cost. Remember, even if the interest on the bonds is tax exempt over thirty years the dollars paid out for the borrowing will be about \$400 million. Perhaps your advisors are creative financing experts. I assume they are talking about "private activity bonds" which are subject to some stringent requirement to avoid the bond interest becoming taxable. Those complex requirements should be fully disclosed and explained as the funding issues go forward. If an error is made the lost taxes will likely be a municipal liability. An IRS letter ruling could help clarify the tax status of these bonds.

The confusing and divisive issues around the new 49ers stadium in Santa Clara, California are worth looking at. There are pitfalls when projects are sold as "cost and risk free" to taxpayers; and later turn out to be something else.

Thank you for allowing me to comment. I hope my remarks will be placed in the record of this hearing. I will be available in the future if the Council would like to have me come to one of their meetings.

Sincerely,

Richard D. Ford

cc: Reema Griffith

Paula Hammond Tom Albro

Dave Gering Sally Bagshaw